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UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

_____

Ex parte HAROLD L. PETERSON,
and JAMES B. WILLIAMS

_____

Appeal 2009-013549
Application 09/423,025
Technology Center 3600

_____

Before: HUBERT C. LORIN, JOSEPH A. FISCHETTI, and BIBHU R.
MOHANTY, *Administrative Patent Judges.*

FISCHETTI, *Administrative Patent Judge.*

DECISION ON APPEAL

STATEMENT OF CASE

Appellants seek our review under 35 U.S.C. § 134 (2002) from the Examiner's final rejection of claims 12-15 and 26-31.

We affirm-in-part.

THE CLAIMED INVENTION

Appellants claim a digital content vending, delivery, and maintenance system (Specification 1:1). Claim 12 is illustrative of the claimed subject matter:

> 12. A method for marketing digital content, comprising:
>
> a) storing an inventory of assets in a hard drive of a personal computer prior to delivery of said personal computer to a user, wherein said assets are instances of the digital content and are protected from unauthorized use by a digital wrapper requiring at least one key for unwrapping;
>
> b) subsequent to said delivery of said personal computer to said user, displaying on the personal computer information about said inventory;
>
> c) accepting a selection representing a particular said asset from said user;
>
> d) transmitting money representing payment for said selection and an identifier associated with said selection from the personal computer to a clearing house, via a communications system;
>
> e) receiving at least one key associated with said selection at the personal computer; and
>
> f) unwrapping said digital wrapper protecting said selection using all said keys required for said selection.

REFERENCES

The prior art relied upon by the Examiner in rejecting the claims on appeal is:

Subler   US 5,646,992   Jul. 8, 1997

Hurley   US 5,984,508   Nov. 16, 1999

REJECTIONS

The following rejections are before us for review.

The Examiner rejected claims 12-15 and 26-31 under 35 U.S.C. § 103(a) over Subler and Hurley.

ISSUES

Did the Examiner err in rejecting claim 12 under 35 U.S.C. § 103(a) over Subler and Hurley as disclosing an inventory of assets in a hard drive stored there prior to delivery of a personal computer, since Hurley discloses that it is common for software to be pre-installed on a hard drive of a computer?

Did the Examiner err in rejecting claim 12 under 35 U.S.C. § 103(a) over Subler and Hurley as disclosing a clearing house, since Subler discloses that payment can be made by credit card, and the Specification describes that a clearing house is a financial intermediary?

FINDINGS OF FACT

We find the following facts by a preponderance of the evidence.

1. Hurley discloses in the Background that it is common practice to utilize pre-installed software on the hard drive of a computer as one of several sources of software, stating, "software can be downloaded from digital data networks such as the Internet, on compact disk read only memory (CD ROM) or floppy, come pre-installed on the hard drive of a computer system, or through broadcast media." (Col. 1 ll. 16-20).

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2. Hurley further discloses such software can be used by *unwrapping* a *digital wrapper protecting* it, such that "[s]oftware distributed in such ways other than purchase of the particular packaged software stored on a physical medium is typically provided as a demo copy which can be 'unlocked' to give the customer the features of the full product." (Col. 1 ll. 20-24).

3. Hurley discloses a system "for verifying that a user has disabled software or other digital or analog information that the user wishes to return for credit." (Col. 1 ll. 25-27).

4. Subler discloses *displaying on the personal computer information about said inventory*, stating its system includes code "which allows the user to browse through information representing the items, to preview certain items, to generate and send a purchase order 40 to an order taking system 42, to receive back an acknowledgment of the order, to 'unlock' the order items, and to install them on the workstation." (Col. 4 ll. 49-54).

5. Subler discloses *accepting a selection representing a particular said asset from said user*, by way of the "purchase order [which] indicates which of the valued items (or groups of valued items) the user wishes to order." (Col. 4 ll. 55-56).

6. The Specification describes by example that a *clearing house* is "a financial intermediary" (Specification 9:27).

7. Subler discloses credit card use for payment on an order entry screen at Figure 20, shown below:
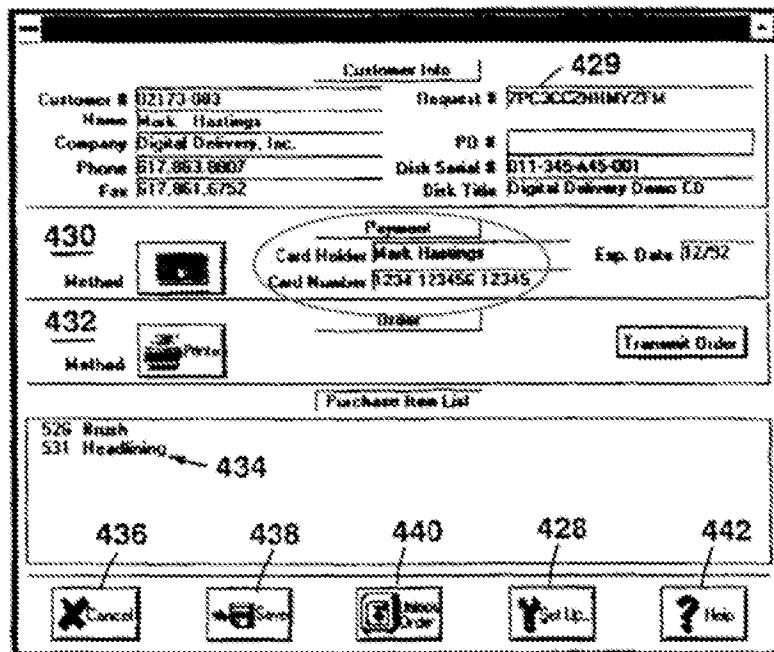
Annotated Figure 20 of Subler with fields for credit card

holder name and credit card number circled.

8. Subler discloses payment to unlock software items that are "stored on the CD-ROM in encrypted form and are unusable by the end user until he has paid for their use." (Col. 4 ll. 33-35).

9. Subler discloses *key* use in that when "an order has been placed and the decryption keys have been returned, the user enters the keys in the Unlock Order window 450 (FIG. 21) ..." (Col. 14 ll. 40-44).

10. Subler discloses software *unwrapping*, in that "[o]nce the valid keys have been entered, the unlocking step has been completed ..." (Col. 14 ll. 47-49).

11. It is our understanding that credit card processors do not have direct relationships with consumers and typically work directly with merchants as part of the purchase transaction process.

12. It is our understanding that a credit card processor returns a confirmation code to the merchant in the form of a transaction identifier when a

purchase payment using a consumer's credit card is completed from a merchant's request to the processor.

13. The Specification describes by example that a *master server* is a computer where vendors operating stores conduct their operations, with separate payment handling by a credit card processor, in that "the vendors 42 are also collectively represented on a master server 48, and all can invoke the assistance of a financial intermediary termed a clearing house 50" (Specification 9:26).

14. Subler discloses that once the order information window of Figure 20 is ready it can be transmitted through "modem to modem communication" to a *master server* (Col. 14 ll. 34-35).

15. Subler discloses "a graphical user interface for aiding use of a group of items of digital information. Hierarchically organized graphical representations of the items and groups of the items which are available to be ordered by the user are displayed to the user." (Col. 1 ll. 31-36).

16. Subler discloses a system for the "assembly, distribution, and use of digital information" such as music and "executable software" (Col. 1 ll. 5-11).

17. Hurley discloses a system for use in "the field of sales of computer software and other digital or analog information." (Col. 1 ll. 9-11).

18. The Examiner found a motivation to combine Subler and Hurley as "to 1) ensure the compatibility of the digital content with the computer configuration, 2) to restrict the usage of the digital content to only one computer hard drive and 3) to reduce the cost of delivering the digital content to the user by not using a storage media such as CD-ROM's." (Answer 5).

19. The ordinary and customary definition of the term metaphor, as defined by Merriam Webster's Collegiate Dictionary (10th ed.), is: "an object, activity, or idea treated as a metaphor: symbol."

20. Subler discloses at Figure 10 *a graphical user interface that presents said assets metaphorically as merchandise and units of service in aisles of stores* by categorizing similar items in subcategories represented by thumbnails 346 such as "photos category" and "sounds category", as shown below.
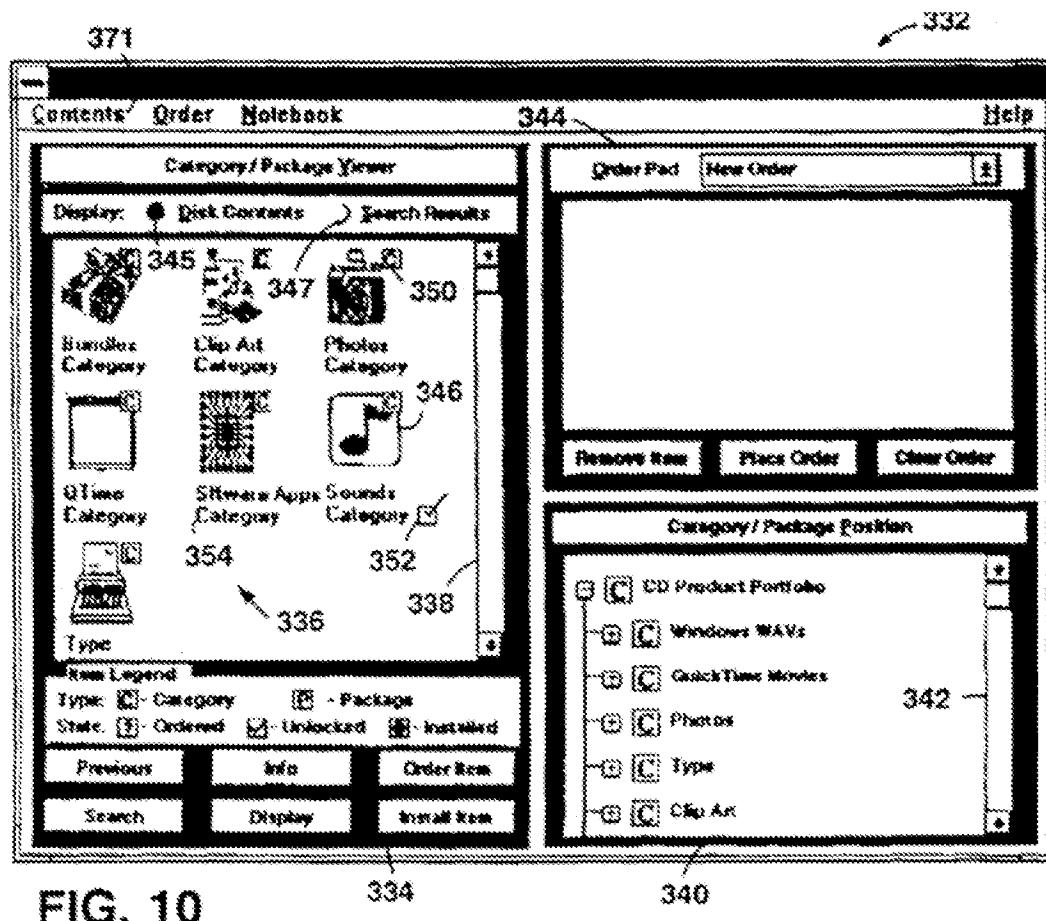

FIG. 10

Figure 10 of Subler showing thumbnails for categories of items that are metaphorical displays of store aisles.

21. Subler discloses executable programs stored on the media containing digital content, in that a "bundle stored on the CD-ROM may include not

only the content which interests the end user (e.g., the text of an encyclopedia), but also executable programs which enable the user to find and make use of the content." (Col. 1 ll. 25-29).

22. Subler discloses a *master server* at order taking system 42 in Figure 1, shown below:
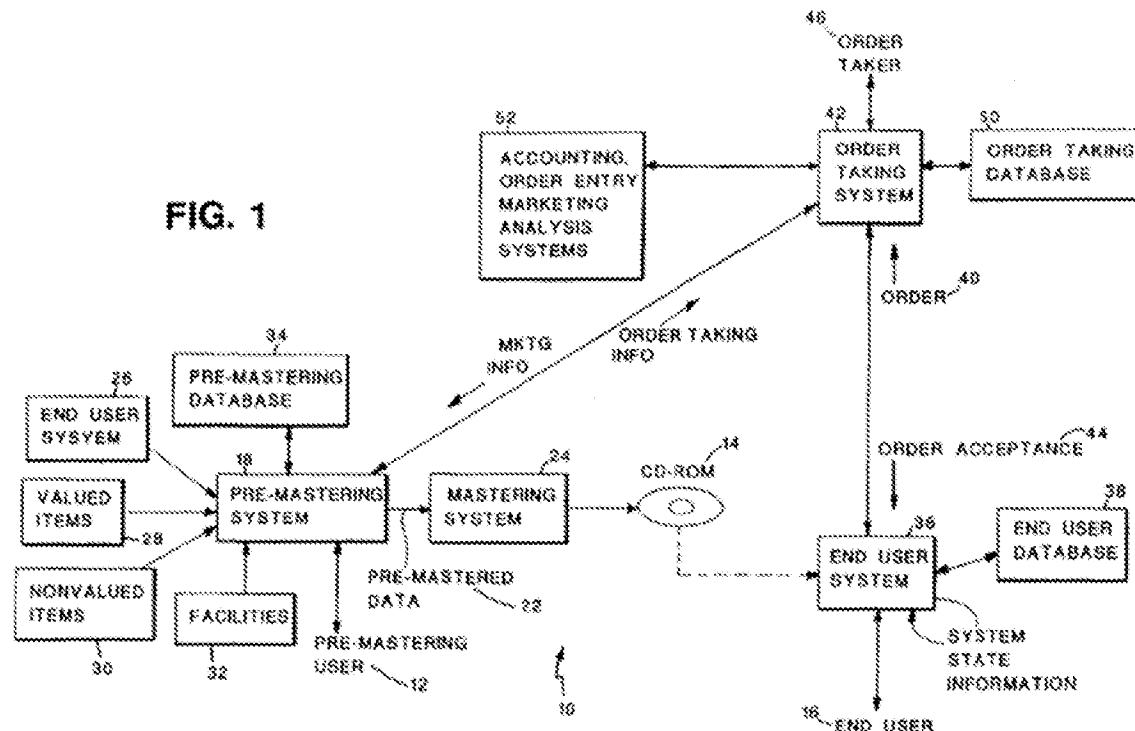

Figure 1 of Subler showing order taking system 42

ANALYSIS

Claim 12

Appellants argue "[i]n the combination of Subler and Hurley, Subler clearly does not teach a hard drive and is not argued by the Office as doing so, whereas essentially the only teaching of Hurley that is relied on by the rejection is that it purportedly teaches a hard drive - and it does not." (Appeal Br. 13).

We are not persuaded by Appellants' argument, because we find that
Hurley discloses in the Background that it is common for computer software
to be pre-installed on the hard drive of a computer (FF 1).

Appellants further argue Hurley "merely discusses 'demonstration
software that has been downloaded.' This cannot be reconciled with
Appellant's hard drive based assets that are displayed for purchase."
(Appeal Br. 15).

We are not persuaded by Appellants' argument. Hurley discloses that
software pre-installed on a hard drive is common (FF 1), and that software
so distributed may be "unlocked"/*unwrapped* to enable full use (FF 2). We
find one of ordinary skill in the art would recognize from Hurley's
disclosure of unlocking software pre-installed on a hard drive that such
unlocking of software pre-installed on a hard drive is a well-known manner
of distributing software and other electronic content, thus meeting the claim
language *storing an inventory of assets in a hard drive of a personal
computer prior to delivery of said personal computer to a user, wherein said
assets are instances of the digital content and are protected from
unauthorized use by a digital wrapper requiring at least one key for
unwrapping.*

Appellants next argue, "what Subler is teaching at the cites here (and
throughout) is clearly with respect to media other than a hard drive."
(Appeal Br. 16). Appellants also argue, Subler does not discloses the
claimed invention because "Subler again (as throughout) is teaching
delivering a CD-ROM." (Appeal Br. 17).

That argument is not well taken because the Appellant is attacking the
reference individually when the rejection is based on a combination of
references, and as found above, Hurley, and not Subler discloses protecting

software pre-installed on a hard drive with a key. *See In re Keller*, 642 F.2d
413, 426 (CCPA 1981).

Appellants next argue, with respect to claim limitation b), "that Subler
explicitly teaches the use of CD-ROM based software, and all of the
attendant work and problems that go with that. In contrast, Appellant's
invention as recited in claim 12 does not suffer from any of this." (Appeal
Br. 18).

We are not persuaded by Appellants' argument, because we find that
Subler discloses *displaying on the personal computer information about said
inventory*, when stating its system includes code "which allows the user to
browse through information representing the items, to preview certain items
..." (FF 4), thereby meeting the claim language.

Appellants argue, with respect to claim limitation c), "Subler merely
teaches accepting an order at a remote workstation; not local software
accepting a selection that may later be part of an order." (Appeal Br. 18).

We are not persuaded by Appellants' argument, because Subler
discloses that the user browses the material in the collection, places an order
(FF 4) and the "purchase order indicates which of the valued items (or
groups of valued items) the user wishes to order" (FF 5), thus meeting the
claim language *accepting a selection representing a particular said asset
from said user*.

Appellants argue, with respect to claim limitation d), "there is nothing
in the new cites to Subler about transmitting a selection identifier from a
personal computer to a clearing house." (Appeal Br. 19).

We are not persuaded by Appellants' argument, because Subler
discloses transmitting a purchase order that includes a selection of the item
to be purchased to a merchant because the purchase order "indicates which

of the valued items (or groups of valued items) the user wishes to order" (FF 5). We also find that Subler discloses transmitting *an identifier associated with said selection* in the form of a "Request #", item 429 (FF 7), which is transmitted along with the credit card information to the *clearing house* by the merchant who receives the order from the user (FF 14), thus meeting the claim language.

Appellants next argue Subler does not disclose a *clearing house* (Appeal Br. 19-20).

We are not persuaded by Appellants' argument. We find the Specification describes that a *clearing house* is a financial intermediary (FF 6), and we find Subler discloses a financial intermediary in the form of a credit card purchases processor. Because Subler discloses an order information window as part of the ordering process which has fields for credit card information for payment (FF 7), Subler thus discloses a *clearing house*.

Appellants finally argue, "[o]ne of ordinary skill in the art will appreciate here that key release does not occur until there is some form of confirmation of payment by the clearing house. Nothing in Subler, where cited or elsewhere, teaches or reasonably suggests that a credit card issuer does this." (Appeal Br. 20).

We are not persuaded by Appellants' argument. We first find Subler discloses payment to enable purchase of selected software, stored in encrypted form to prevent its use prior to payment (FF 8). We interpret the act of paying by credit card to meet the *transmitting money* requirement because it effects payment by the user to the seller via transmission of electronic payment information. We therefore find that one of ordinary skill in the art would recognize that Subler utilizes a credit card

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processor/*clearing house* to pay for a purchased selection represented by the "Request #" identifier (188), and thus meets the claim language *transmitting money representing payment for said selection and an identifier associated with said selection from the personal computer to a clearing house, via a communications system.*

Appellants argue, with respect to claim limitation f), that in the Examiner's citation to Subler there "is nothing here about the user-side and use of keys there."

We are not persuaded by Appellants' argument, because we find Subler discloses the user entering keys (FF 9), and that once the valid keys have been entered the process of unlocking the software is complete, thus meeting the claim language *unwrapping said digital wrapper protecting said selection using all said keys required for said selection.*

Appellants next argue, as to the Examiner's rationale for the combination of Subler or Hurley, that "neither Subler or Hurley teach these advantages." (Appeal Br. 21).

We disagree with Appellants because the Examiner made a finding for why it was obvious to combine (FF 18) and we find the Examiner's rationale for the combination is reasonable because it is based on similar field of use of buying protected digital content, and common problems associated with that field. (FF 16-18).

<div align="center">Claim 13</div>

Claim 13 recites *the method of claim 12, wherein: said (e) includes: 1) receiving at the personal computer a first said key from said clearing house; 2) transmitting from the personal computer said first said key to a master server, via said communications system; and 3) receiving back at the personal computer a second said key from said master server.*

Appellants argue Subler "teaches that an end user generated request number is sent by that user's workstation to Subler's order taking system (which uses it to encrypt the key it then sends back)", (Appeal Br. 21) and that Subler's order taking system "clearly is a vendor-side system, not one in a financial clearing house (e.g., a bank or similar financial institution)." (Appeal Br. 21).

The claim 13 requires that the transaction identifier/first key be received at and then sent from the personal computer of the user before going to the master server. This route through the personal computer on the way to the master server is not disclosed or implied in Subler. Additionally, we do not find that the first key serves any function at the personal computer other than to be resent to the master server, and it is not clear from the claims whether it is one of the keys required to unwrap the content.

Therefore, we will not sustain the rejection because we do not find the claimed routing of the first and second keys in the combination of Subler and Hurley.

<div align="center">Claims 14 and 15</div>

Claim 14 recites, *the method claim 12, wherein said (b) through said (f) are performed using a graphical user interface that presents said assets metaphorically as merchandise and units of service in aisles of stores.* Claim 15 recites, *the method of claim 14[1], wherein said graphical user interface further presents said stores metaphorically as a member of the set consisting of villages, town squares, shopping centers, and malls.*

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[1] We interpret the reference to claim 12 in claim 15 as a typographic error where claim 14 was intended, because claim 15 includes the terminology "said graphical user interface" which is introduced in claim 14.

Appellants argue Subler has "no teaching or reasonable suggestion of stores, aisles therein, or of units of service. Even more clearly, there is no support in Subler for villages, town squares, shopping centers, or malls." (Appeal Br. 22-23).

We are not persuaded by Appellants' argument. We find Subler discloses a *graphical user interface* with hierarchical representations of items and groups of items available to be ordered (FF 15, 20), and Hurley discloses the use of the Internet to download software (FF 1). We interpret the term *metaphorically* broadly as something symbolic (FF 19), and thus find that Subler symbolically discloses *merchandise and units of service in aisles of stores* by way of its hierarchical organization which symbolizes items in aisles. We also find Hurley symbolically discloses *villages, town squares, shopping centers, and malls* which one of ordinary skill in the art would recognize as the organization of the World Wide Web, with linked ecommerce web sites symbolic of shopping centers and malls, user communities symbolic of villages, and sites permitting linking to a variety of web sites symbolic of town squares. Therefore we find the disclosures of a GUI and the symbolic hierarchy of Subler, and Internet seen through a browser of Hurley, meet the claim language of claims 14 and 15.

<div align="center">Claims 26-28</div>

The rejections are affirmed as to claims 26-28. Appellants do not provide a substantive argument as to the separate patentability of claims 27 and 28 that depend from claim 26, which is the sole independent claim among those claims. Therefore, we address only claim 26, and claims 27 and 28 fall with claim 26. See, 37 C.F.R. § 41.37(c)(1)(vii)(2004).

We affirm claim 26 for the reasons set forth above at claim 12.

Claim 29

Claim 29 recites, in pertinent part, *a hard drive for installation into the personal computer, wherein: an inventory of assets are stored in said hard drive; said assets are instances of the digital content, wherein at least one said asset is an executable software that is pre-configured to run from said hard drive once it is installed in the personal computer.*

We first interpret "executable software that is pre-configured to run from said hard drive once it is installed in the personal computer" to refer to the hard drive being installed in the system, and not the software being installed, since the claim also recites *a hard drive for installation into the personal computer.*

Appellants argue, "Subler's CD-ROM cannot include software that is preconfigured to run from a hard drive once it is installed ..." (Appeal Br. 23).

We are not persuaded by Appellants' argument. We find Subler discloses executable software that is part of its CD-ROM distribution media (FF 21). We further find one of ordinary skill in the art would recognize from Hurley's disclosure of pre-installed software on a hard drive of a computer (FF 1), that it would therefore be obvious from the combination of Subler and Hurley to include *executable software* that is *pre-configured to run from a hard drive* on which it is installed, such as the software Subler discloses to "enable the user to find and make use of the content" (FF 21) that is in the *inventory of assets* on the hard drive.

Appellants further argue, "Subler says 'A bundle stored on the CD-ROM may include not only the content which interests the end user ... , but also executable programs which enable the user to find and make use of the

content.' The clear meaning here again is these 'executable programs' are merely Subler's order taking software." (Appeal Br. 24).

This argument fails because it argues a limitation that is not part of the claim, in that there is no restriction about the type of *executable software pre-configured to run from said hard drive*, such that any *executable* software meets the claim language. The combination discloses executable software "to enable the user to find and make use of the content" (FF 1, 21), and therefore meets the claim language.

We also affirm the rejection of dependent claims 30 and 31since Appellant has not challenged such with any reasonable specificity.

CONCLUSIONS OF LAW

The Examiner did not err in rejecting claims 12, 14, 15 and 26-31 under 35 U.S.C. § 103(a) over Subler and Hurley.

The Examiner erred in rejecting claim 13 under 35 U.S.C. § 103(a) over Subler and Hurley.

DECISION

For the above reasons, the Examiner's rejection of claims 12, 14, 15 and 26-31 is AFFIRMED.

The Examiner's rejection of claim 13 is REVERSED.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a)(1)(iv) (2010).

AFFIRMED-IN-PART

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